

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
Implementation of Section 621(a)(1) of)	
the Cable Communications Policy Act of 1984)	MB Docket No. 05-311
as amended by the Cable Television Consumer)	
Protection and Competition Act of 1992)	

**COMMENTS OF
RAMSEY/WASHINGTON COUNTIES SUBURBAN
CABLE COMMUNICATIONS COMMISSION II**

These Comments are filed by the Ramsey/Washington Counties Suburban Cable Communications Commission (RWCSCCC) in support of the comments filed by the National Association of Telecommunications Officers and Advisors ("NATOA"). Like NATOA, RWCSCCC believes that local governments can issue an appropriate local franchise for new entrants into the video services field on a timely basis, just as they have for established cable services providers. In support of this belief, we wish to inform the Commission about the facts of video franchising in our community.

Cable Franchising in Our Communities

Community Information

RWCSCCC is a joint municipal consortium established to perform local franchising responsibilities on behalf of its 12 municipal governmental members in Minnesota:

City of Birchwood Village
City of Dellwood
City of Grant
City of Lake Elmo
City of Mahtomedi
City of Maplewood
City of North St. Paul
City of Oakdale
City of Vadnais Heights
City of White Bear Lake
Township of White Bear
City of Willernie

The combined population of these municipalities is 155,000.

Chronology of Franchising Activity

May, 1983 – In accordance with State and Federal Law, a nonexclusive franchise (hereinafter “Original Franchise”) was granted to Group W Cable of Ramsey/Washington Inc.

March, 1998 – Adoption of Policies & Procedures for Franchising of Competitive Overbuilders. In anticipation of possible requests for competitive franchises, RWCSCCC adopted policies and procedures to enable the review and evaluation of applications for competitive cable franchises.

May, 1998 – Extension of the expiration date to November, 1999, for the nonexclusive franchise granted in May of 1983. RWCSCCC and MediaOne (having previously acquired Group W Cable of Ramsey/Washington Inc.) mutually agreed to extend the Original Franchise to November, 1999, in light of a pending merger between MediaOne and AT&T Broadband.

November, 1999 – Pursuant to the Federal Cable Act and incorporating renegotiated provisions, RWCSCCC renewed the nonexclusive Original Franchise for a term of 15 years (expiration: November 29, 2014 and with renegotiated legal, technical, and financial provisions. This renewed franchise is current in effect and is under the operation of Comcast since 2003. The renewed franchise shall hereinafter be referred to as “Comcast Franchise.”

May, 2000 – Revision of Policies & Procedures for Franchising of Competitive Overbuilders originally adopted in May, 1998. The revisions were intended to accommodate multiple simultaneous applications as well as to reflect updated laws and regulations.

July, 2000 – Applications for Franchises submitted by Everest Connections Corporation and WideOpenWest Minnesota, LLC., pursuant to RWCSCCC Competitive Franchising Policies & Procedures. These two companies submitted independent franchise applications along with proposals outlining their respective services. Both planned to build and operate HFC broadband networks for the provision of multichannel video, high speed internet, and competitive wireline telephone services in competition with existing providers of those services.

Fall, 2000 – Requests by Everest Connections Corporation and WideOpenWest Minnesota, LLC., for RWCSCCC to place a hold on the respective franchise applications of those companies. The dot-com bubble had burst in 2000, and both of these companies indicated that had affected previous commitments of necessary capital investment. As a result, franchise applications could not proceed. Eventually, the applications were both cancelled.

Comcast Franchise

As previously noted, the non-exclusive Original Franchise was renewed on November 29, 1999, for term of 15 years that expires November 29, 2014. Comcast now holds that renewed franchise (referred to herein as Comcast Franchise). Under the statutory timeline laid out in the Federal Cable Act, a cable operator has a 6-month window beginning 36 months before the expiration of a franchise in which to request a renewal under the Federal Act. As a result, at this time we are not currently conducting any franchise renewal negotiations with Comcast.

Further, there are no pending applications at this time for the grant of additional franchises.

The current nonexclusive Comcast Franchise requires the cable operator to pay a franchise fee to the RWCSCCC in the amount of five percent (5%) of the cable operator's revenues. The revenues for

franchise fee purposes are calculated based on the gross revenues of the operator, in accordance with the Federal Cable Act.

Additionally, the Comcast Franchise provides the following:

PEG Access Channels for Local Programming

The current nonexclusive franchise requires the cable operator to dedicate and make available for use ten (10), six (6) MHz channels for public, educational, and governmental ("PEG") access channels on the cable system for local community programming use. At this time, two (2) channels are devoted to public access; three (3) channels are devoted to educational access; and five (5) channels are devoted to government access within the system operated by Comcast. Pursuant to the current nonexclusive franchise, the PEG access channels are transmitted to all subscribers in the cable operator's system.

The current nonexclusive franchise granted requires that PEG channels be supported in the following ways by the cable operator: Annual PEG operation grants; capital equipment grants; in-kind support for necessary video transport equipment, and ongoing technical support provided by Comcast technical personnel.

Institutional Network

The current nonexclusive franchise contains the following institutional network ("I-Net") requirements:

- a. Construction, activation, and ongoing operation of a bi-directional multichannel network which connects designated public building and community institution sites within the franchise territory that provides transmission of video and data between such connected sites.
- b. The I-Net consists of overlapped hybrid fiber coaxial ("HFC") end-to-end fiber optic networks. The HFC portion of the I-NET includes 450 MHz capacity and 56 channels (25 upstream channels and 31 downstream channels), and consists of no less than 16 nodes with amplifier cascades that do not exceed 10 amplifiers. I-Net nodes are connected by optical fiber to the headend and hubs. The I-Net is segmented into no less than 16 discrete segments associated with individual nodes in order to permit narrowcast of video and data within municipal boundaries.
- c. The fiber optic portion of the I-Net incorporates a sixteen (16) count fiber to each I-NET node throughout the network to facilitate end-to-end fiber connections within the institutional community. In addition, end-to-end fiber connections, including fiber from the node to the institution, are provided. For example, two (2) fibers each connect to each city hall in the franchise territory without charge. Other fiber connections from the node are provided at cost under the terms of the current nonexclusive franchise.
- d. The cable operator is responsible under the franchise to repair, replace, and maintain the I-Net such that its performance meets technical standards set forth in the franchise agreement. The franchise agreement also requires the cable operator to make available capital funding of certain equipment needed for specific uses by municipal governments.

We use our I-Net facilities in the following ways:

- a. Transport of video signals from institutional buildings to PEG access channels. This is vital function that supports the transmission of local programming signals from origination sites such as schools, police and fire stations, and city buildings to cable subscribers via PEG access channels.
- b. Closed circuit video communications. The I-NET provides transport of point-to-point video signals and is used for vital monitoring of transport of PEG access programming signals from their respective points of origination.
- c. Wide area data networks. The I-NET is used to provide high-bandwidth data networks that are used by schools and local government.
- d. Public safety communications. In addition to local EAS technical support functions, the I-NET is used to transport public safety dispatch communications to and from antennas connected to the I-NET.
- e. Wide area IP telephone systems. The I-NET is used to support IP telephone systems used by schools and governments.

Emergency Alert Systems

The Comcast Franchise requires provision of an Emergency Alert System fully compliant with local, state and federal EAS requirements. These emergency alert requirements provide an important avenue of communication with our residents in the event of an emergency.

Customer Service Requirements

Our franchise contains the following customer service obligations, by which we are able to help ensure that the cable operator is treating our residents in accordance with federal standards and the terms it agreed to in its franchise.

- a. Video programming notifications: Comcast must notify subscribers in writing thirty (30) days prior to any channel additions, deletions, or realignments.
- b. Rate notifications: Comcast must provide subscribers written notice of any change in a rate or charge at least one billing cycle prior to the effective date of the change. Bills must be clear, concise, and understandable, with itemization of all charges.
- c. Customer service via telephone: Comcast must have a publicly listed toll-free telephone number which shall be operated so as to receive subscriber complaints and requests on a twenty-four (24) hour-a-day, seven (7) days-a-week, 365 days a year basis. During normal business hours, trained representatives must be available to respond to subscribers. Comcast must maintain adequate numbers of telephone lines and personnel to respond in a timely manner to schedule service calls and answer subscriber complaints or inquiries. Under normal operating conditions, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds when the

connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis. Under normal operating conditions, the customer will receive a busy signal less than three (3) percent of the time.

d. Response to written complaints: Comcast must respond to written complaints with copy to the LFA within thirty (30) days.

e. Performance of repairs: Subscriber requests for repairs must be performed by Comcast within thirty-six (36) hours of the request unless conditions beyond the control of Comcast prevent such performance. Comcast may schedule appointments for installations and other service calls either at a specific time or, at a maximum, during a four hour time block during normal business hours. Comcast may also schedule service calls outside normal business hours for the convenience of customers. Comcast must use its best efforts to not cancel an appointment with a customer after the close of business on the business day prior to the scheduled appointment. If the installer or technician is late and will not meet the specified appointment time, he/she must use his/her best efforts to contact the customer and reschedule the appointment at the sole convenience of the customer.

f. Subscriber contracts: Comcast must file with RWCSCCC any standard form subscriber contract utilized. If no such written contract exists, Comcast must file with RWCSCCC a document completely and concisely stating the length and terms of the subscriber contract offered to customers. The length and terms of any Subscriber contract(s) shall be available for public inspection during normal business hours.

g. Refund Policy. In the event a subscriber establishes or terminates service and receives less than a full month's service, Comcast must prorate the monthly rate on the basis of the number of days in the period for which service was rendered to the number of days in the billing.

h. Late Fees. Fees for the late payment of bills shall not be assessed until after the service has been fully provided. Late fee amounts may not be adjusted by Comcast without prior approval of RWCSCCC.

i. Non-Standard Installations. Comcast must install and provide cable service to any Person requesting other than a standard installation provided that said cable service can meet FCC technical specifications and all payment and policy obligations are met. In such case, Comcast may charge for the incremental increase in material and labor costs incurred beyond the standard installation.

j. Sales Procedures. Comcast must not exercise deceptive sales procedures when marketing within the service area. In its initial communication or contact with a non-Subscriber and in all general solicitation materials marketing itself or its services as a whole, Comcast must inform the non-subscriber of all levels of service available, including the lowest priced and free service tiers. Comcast shall have the right to market door-to-door during reasonable hours consistent with local ordinances and regulation.

Service Area and Build Out Requirements

The Original Franchise contained a requirement to fully construct a defined initial service territory in accordance with approved construction schedules. In addition, the Original Franchise defined mandatory build of residential developments based upon a defined housing density level. The combination of a defined initial service territory and mandatory line extension provisions within the Original Franchise provided the vast majority of area residents with access to cable television service.

As a result, the renewal of that franchise, also known herein as the Comcast Franchise, provided the majority of households with the benefits of technological upgrades to advanced services such as digital video, high speed internet access, and a competitive alternative to the wireline telephone service provided by the ILEC. Comcast was required to complete all construction related to the system upgrade required by Comcast Franchise and fully activate the System on or before May 30, 2001.

The Comcast Franchise further stipulates that, once upgraded, Comcast was required to continue to offer service to all dwelling units serviceable prior to upgrade and shall extend Service to any area within the corporate boundaries of City which was not previously constructed which exceeds a density of 35 dwelling units per cable mile or greater for overhead plant and 50 dwelling units per cable mile for underground plant.

The Comcast Franchise requires that in the event of annexation by City, or as development occurs, any new territory shall become part of the territory for which this Franchise is granted provided, however, that Grantee shall not be required to extend service beyond its present System boundaries unless there is a minimum of 50 homes per cable mile for underground plant and 35 homes per cable mile for overhead plant. Further, the Comcast Franchise requires that access to cable service shall not be denied to any group of potential residential cable subscribers because of the income of the residents of the area in which such group resides.

Technology Upgrade

In order to ensure that residents have access to current telecommunications technologies, the Comcast Franchise contains the following rebuild or upgrade requirements:

- a. The upgrade will incorporate the deployment of fiber optic lines to Nodes, each connected by optical fiber to hub and headend sites. Nodes will serve an average of approximately 500 homes and in no event more than 800 homes with a minimum of four (4) fibers connecting each 500 home average Node from headends and hubs.
- b. The System will be designed with the capability to transmit return signals upstream in the 5 - 40 MHz spectrum.
- c. The System will be designed and constructed in order to allow narrowcast of governmental access channels discretely by municipality and, to the extent that System Node architecture allows, educational access channels by school district boundaries. The Grantee will provide and maintain all equipment and facilities necessary to accomplish this narrowcasting.

- d. All power supplies for the System, including the Institutional Network, will be equipped with standby power capability in accordance with the Proposal. Additionally, the Grantee will use status monitoring at all Nodes and power supply locations in the System, including the Institutional Network, in accordance with the Proposal. Finally, noninterruptable power-passing compatible taps will be implemented in accordance with the Proposal.
- e. The System will provide an Emergency Alert System fully compliant with local, state and federal EAS requirements.
- f. The System will be capable of providing non-video Services via the System such as high-speed Internet service and other Services in accordance with the Proposal, which shall be activated as Marketplace Need dictates. Grantee may use 200 MHz of the total 750 MHz System capacity for the provision of such services and/or additional video channels.
- g. During the design, walkout and preliminary construction activities related to upgrade of the System, Grantee shall seek to identify the non-video interests of the business community within City and will seek to quantify business community demand for non-video services. Prior to making any final determination of such demand, Grantee will solicit input from the City regarding the location of business corridors that may desire services in addition to Cable Service. Grantee will include additional optical fibers, in addition to the four (4) fibers to each 500 home average Node as required above, to facilitate future expansion of needs in such business corridors.
- h. Grantee agrees to use its best efforts to comply with such open cable standards as may be developed with respect to set top converters/terminals.
- i. The Cable System servicing the Ramsey/Washington System including the cities of Birchwood, Dellwood, Grant, Lake Elmo, Mahtomedi, Maplewood, North St. Paul, Oakdale Vadnais Heights, White Bear Lake, White Bear Lake Township, and Willernie shall continue to be completely interconnected.
- j. Grantee shall complete all construction related to the System upgrade required by Section 4 herein and shall fully activate the System on or before May 30, 2001. Grantee shall provide for phased activation launches as Nodes are completed and in accordance with the specific timeline in Exhibit C attached. Failure to timely complete such construction shall be a violation of this Franchise.

Insurance and Bonding Requirements; Franchise Enforcement Penalty Provisions

Our franchise contains the following requirements:

- 1. Performance Bond
 - a. At the time the Franchise becomes effective and at all times thereafter, until the Grantee has liquidated all of its obligations with City and Commission, the Grantee shall furnish a bond to Commission in the amount of \$500,000.00 in a form and with such sureties as reasonably acceptable to Commission. This bond will be conditioned upon the faithful performance by the Grantee of its Franchise obligations and upon the further

condition that in the event the Grantee shall fail to comply with any law, ordinance or regulation governing the Franchise, there shall be recoverable jointly and severally from the principal and surety of the bond any damages or loss suffered by City or Commission as a result, including the full amount of any compensation, indemnification or cost of removal or abandonment of any property of the Grantee, plus a reasonable allowance for attorneys' fees and costs, up to the full amount of the bond, and further guaranteeing payment by the Grantee of claims, liens and taxes due City or Commission which arise by reason of the construction, operation, or maintenance of the System. The rights reserved by City or Commission with respect to the bond are in addition to all other rights City may have under the Franchise or any other law. City may, from year to year, in its sole discretion, reduce the amount of the bond.

b. The time for Grantee to correct any violation or liability, shall be extended by City if the necessary action to correct such violation or liability is, in the sole determination of City, of such a nature or character as to require more than thirty (30) days within which to perform, provided Grantee provides written notice that it requires more than thirty (30) days to correct such violations or liability, commences the corrective action within the thirty (30) days period and thereafter uses reasonable diligence to correct the violation or liability.

c. In the event this Franchise is revoked by reason of default of Grantee, City shall be entitled to collect from the performance bond that amount which is attributable to any damages sustained by City as a result of said default or revocation.

d. Grantee shall be entitled to the return of the performance bond, or portion thereof, as remains sixty (60) days after the expiration of the term of the Franchise or revocation for default thereof, provided City or Commission has not notified Grantee of any actual or potential damages incurred as a result of Grantee's operations pursuant to the Franchise or as a result of said default.

e. The rights reserved to City or Commission, as applicable, with respect to the performance bond are in addition to all other rights of City or Commission whether reserved by this Franchise or authorized by law, and no action, proceeding or exercise of a right with respect to the performance bond shall affect any other right City or Commission may have.

2. Letter of Credit

a. At the time of acceptance of this Franchise, Grantee shall deliver to Commission an irrevocable and unconditional Letter of Credit, in form and substance acceptable to Commission, from a National or State bank approved by Commission, in the amount of \$25,000.00.

b. The Letter of Credit shall provide that funds will be paid to City or Commission, as appropriate, upon written demand of City or Commission, and in an amount solely determined by City or Commission in payment for penalties charged pursuant to this Section, in payment for any monies owed by Grantee to City or Commission or any person pursuant to its obligations under this Franchise, or in payment for any damage incurred by City or any person as a result of any acts or omissions by Grantee pursuant to this Franchise.

c. In addition to recovery of any monies owed by Grantee to City or Commission or any person or damages to City or Commission or any person as a result of any acts or omissions by Grantee pursuant to the Franchise, City or Commission in their sole discretion may charge to and collect from the Letter of Credit the following penalties:

i. For failure to timely complete System upgrades as provided in this Franchise unless City or Commission approves the delay, the penalty shall be \$500.00 per day for each day, or part thereof, such failure occurs or continues.

ii. For failure to provide data, documents, reports or information or to cooperate with City or Commission during an application process or system review or as otherwise provided herein, the penalty shall be \$250.00 per day for each day, or part thereof, such failure occurs or continues.

iii. Fifteen (15) days following notice from City or Commission of a failure of Grantee to comply with construction, operation or maintenance standards, the penalty shall be \$500.00 per day for each day, or part thereof, such failure occurs or continues.

iv. For failure to provide the services Grantee has proposed, including, but not limited to, the implementation and the utilization of the access channels and the maintenance and/or replacement of the equipment and other facilities, the penalty shall be \$500.00 per day for each day, or part thereof, such failure occurs or continues.

v. For Grantee's breach of any written contract or agreement with or to the City or its designee, the penalty shall be \$500.00 per day for each day, or part thereof, such breach occurs or continues.

vi. For failure to comply with any of the provisions of this Franchise, or other City ordinance for which a penalty is not otherwise specifically provided pursuant to this paragraph c, the penalty shall be \$250.00 per day for each day, or part thereof, such failure occurs or continues.

d. Each violation of any provision of this Franchise shall be considered a separate violation for which a separate penalty can be imposed.

e. Whenever City or Commission finds that Grantee has violated one or more terms, conditions or provisions of this Franchise, or for any other violation contemplated in Subparagraph c. above, a written notice shall be given to Grantee informing it of such violation. At any time after thirty (30) days (or such longer reasonable time which, in the determination of City or Commission, is necessary to cure the alleged violation) following local receipt of notice, provided Grantee remains in violation of one or more terms, conditions or provisions of this Franchise, in the sole opinion of City or Commission, City or Commission may draw from the Letter of Credit all penalties and other monies due City or Commission from the date of the local receipt of notice.

f. Whenever the Letter of Credit is drawn upon, Grantee may, within seven (7) days of such draw, notify City or Commission, as applicable, in writing that there is a dispute as to whether a violation or failure has in fact occurred. Such written notice by Grantee to City or Commission shall specify with particularity the matters disputed by Grantee. All penalties shall continue to accrue and City or Commission may continue to draw from the Letter of Credit during any appeal pursuant to this subparagraph f.

i. City or Commission shall hear Grantee's dispute within sixty (60) days and render a final decision within sixty (60) days thereafter.

ii. Upon the determination of City or Commission that no violation has taken place, City or Commission, as applicable, shall refund to Grantee, without interest, all monies drawn from the Letter of Credit by reason of the alleged violation.

g. If said Letter of Credit or any subsequent Letter of Credit delivered pursuant thereto expires prior to thirty (30) months after the expiration of the term of this Franchise, it shall be renewed or replaced during the term of this Franchise to provide that it will not expire earlier than thirty (30) months after the expiration of this Franchise. The renewed or replaced Letter of Credit shall be of the same form and with a bank authorized herein and for the full amount stated in Paragraph A of this Section.

h. If City or Commission, as applicable, draws upon the Letter of Credit or any subsequent Letter of Credit delivered pursuant hereto, in whole or in part, Grantee shall replace or replenish to its full amount the same within ten (10) days and shall deliver to Commission a like replacement Letter of Credit or certification of replenishment for the full amount stated in Section 9.2 (a) as a substitution of the previous Letter of Credit. This shall be a continuing obligation for any draws upon the Letter of Credit.

i. If any Letter of Credit is not so replaced or replenished, City or Commission may draw on said Letter of Credit for the whole amount thereof and use the proceeds as City or Commission determines in its sole discretion. The failure to replace or replenish any Letter of Credit may also, at the option of the City or Commission, be deemed a default by Grantee under this Franchise. The drawing on the Letter of Credit by City or Commission, and use of the money so obtained for payment or performance of the obligations, duties and responsibilities of Grantee which are in default, shall not be a waiver or release of such default.

j. The collection by City or Commission, as applicable, of any damages, monies or penalties from the Letter of Credit shall not affect any other right or remedy available to either, nor shall any act, or failure to act, by City or Commission, as applicable, pursuant to the Letter of Credit, be deemed a waiver of any right of City or Commission, as applicable, pursuant to this Franchise or otherwise.

3. Indemnification.

a. City, Commission, its officers, boards, committees, commissions, elected officials, employees and agents shall not be liable for any loss or damage to any real or personal property of any Person, or for any injury to or death of any Person, arising out of

or in connection with Grantee's construction, operation, maintenance, repair or removal of the System or as to any other action of Grantee with respect to this Franchise.

b. Grantee shall indemnify, defend, and hold harmless City, Commission, its officers, boards, committees, commissions, elected officials, employees and agents, from and against all liability, damages, and penalties which they may legally be required to pay as a result of the City or Commission's, as applicable, exercise, administration, or enforcement of the Franchise.

c. Nothing in this Franchise relieves a Person, except City, from liability arising out of the failure to exercise reasonable care to avoid injuring the Grantee's facilities while performing work connected with grading, regarding, or changing the line of a Right-of-Way or public place or with the construction or reconstruction of a sewer or water system.

4. Insurance.

a. As a part of the indemnification provided in Section 8.3, but without limiting the foregoing, Grantee shall file with Commission at the time of its acceptance of this Franchise, and at all times thereafter maintain in full force and effect at its sole expense, a comprehensive general liability insurance policy, including broadcaster's/cablecaster's liability and contractual liability coverage, in protection of the Grantee, and the City, Commission, its officers, elected officials, boards, commissions, agents and employees for any and all damages and penalties which may arise as a result of this Franchise. The policy or policies shall name the City and Commission as an additional insureds, and in their capacity as such, City and Commission officers, elected officials, boards, commissions, agents and employees.

b. The policies of insurance shall be in the sum of not less than \$1,000,000.00 for personal injury or death of any one Person, and \$2,000,000.00 for personal injury or death of two or more Persons in any one occurrence, \$500,000.00 for property damage to any one person and \$2,000,000.00 for property damage resulting from any one act or occurrence.

c. The policy or policies of insurance shall be maintained by Grantee in full force and effect during the entire term of the Franchise. Each policy of insurance shall contain a statement on its face that the insurer will not cancel the policy or fail to renew the policy, whether for nonpayment of premium, or otherwise, and whether at the request of Grantee or for other reasons, except after sixty (60) days advance written notice have been provided to Commission.

Right-Of-Way Authorization and Use

The Comcast Franchise grants the cable operator access to the public rights of way and compatible easements for the purpose of providing cable television service. Apart from the franchise, the cable provider required to obtain a permit from the appropriate municipal office as well before it may access the public rights of way.

Franchise Administration

The administration of a franchise evolves as needed over time. RWCSCCC has adjusted its approach as changes in the law have occurred, as technology has evolved, and as cable operations have transferred ownership and control from company to company.

Comcast currently serves not only our communities but also many adjoining communities in the Minneapolis/St. Paul market. Communities routinely work together on franchise related issues as a means of facilitating MSOs serving a large region, while also allowing for individual provisions in specific franchises tailored them to meet local needs.

Under the law, a cable franchise functions as a contract between the local government (operating as the local franchising authority) and the cable operator. Like other contracts, its terms are negotiated. Under the Federal Cable Act it is the statutory obligation of the local government to determine the community's cable-related needs and interests and to ensure that these are addressed in the franchising process – to the extent that is economically feasible. However derived (whether requested by the local government or offered by the cable operator), once the franchise is approved by both parties the provisions in the franchise agreement function as contractual obligations upon both parties.

Competitive Cable Systems

As previously noted, all franchises must be nonexclusive in accordance with Federal law. This requirement for non-exclusivity is intended to permit the granting of multiple competitive franchises. To enable this concept further, RWCSCCC has adopted policies and procedures for competitive franchising.

Modern telecommunications policy, law and regulations encourage the emergence of competition in all telecommunications markets. Increased competition in the provision of all forms of telecommunications and video services is expected, including in the provision of cable television service. The emergence of competition increases the quality and availability of enhanced telecommunications and video services and encourages competitive rates and improved customer service.

Policies and procedures regarding application for and review of applications for competitive cable Franchises is intended to streamline the processing of requests to construct broadband Cable Systems in our area. These policies and procedures provide for the following:

- Definitions of Terms.
- Applicability of Policies and Procedures.
- Franchise Application Requirements and Timelines.
- Review of Applications.
- Public Hearing on Applications.
- Negotiation of Franchise Terms.
- Basis of Determinations.
- Award of Franchise.
- Costs of Reviewing Application and Issuing Franchise.

Conclusions

The local cable franchising process functions well in RWCSCCC. As the above information indicates, we are experienced at working with cable providers to both see that the needs of the local community are met and to ensure that the practical business needs of cable providers are taken into account.

Local cable franchising ensures that local cable operators are allowed access to the rights of way in a fair and evenhanded manner, that other users of the rights of way are not unduly inconvenienced, and that uses of the rights of way, including maintenance and upgrade of facilities, are undertaken in a manner which is in accordance with local requirements. Local cable franchising also ensures that our local community's specific needs are met and that local customers are protected.

Local franchises thus provide a means for local government to appropriately oversee the operations of cable service providers in the public interest, and to ensure compliance with applicable laws. There is no need to create a new Federal bureaucracy in Washington to handle matters of specifically local interest.

Finally, local franchises allow each community, including ours, to have a voice in how local cable systems will be implemented and what features (such as PEG access, institutional networks or local emergency alerts, etc.) will be available to meet local needs. These factors are equally present for new entrants as for existing users.

The RWCSCCC therefore respectfully requests that the Commission do nothing to interfere with local government authority over franchising or to otherwise impair the operation of the local franchising process as set forth under existing Federal law with regard to either existing cable service providers or new entrants.

Respectfully submitted,

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